

A regular meeting of the **Michigan State Employees' Retirement System Board** was held at the State Secondary Complex, General Office Building, First Floor, Conference Room A, Lansing, Michigan, on July 24, 2014. The following members, staff and observers participated:

Members Present: Robert Brackenbury, representing State Treasurer  
Matthew Fedorchuk, Employee Member  
John Gnodtke, representing State Personnel Director  
Molly Jason, representing the Attorney General  
Douglas Johnson, Retiree Member  
Ronald Jones, Retiree Member  
Ruth Schwartz, Employee Member  
Craig Murray, representing the Deputy Auditor General

Staff Present: Laurie Hill, Executive Secretary  
Chanda Donnan, Recording Secretary

Others Present: Darcy Bozen, retiree; Greg Lantzy, retiree; Andrey Vail of Capital Services, Inc.; Jim Walkowicz, state employee; Patrick Fitzgerald of the Office of Attorney General; Kerrie Vanden Bosch of the Office of Retirement Services

### **Call to Order**

Chair Craig Murray called the meeting to order at 1:34 p.m.

### **Excusing of Absent Members**

John Gnodtke moved, Douglas Johnson supported, to excuse the absence of Randall Gregg. The motion carried unanimously.

### **Approval of Agenda**

John Gnodtke moved, Matthew Fedorchuk supported, to approve the agenda as presented. The motion carried unanimously.

### **Approval of Minutes**

Douglas Johnson moved, Ronald Jones supported, to approve the regular session meeting minutes of May 15, 2014. The motion carried unanimously.

## **Disability Retirement Applications**

### Duty Disability Retirement Applications

John Gnodtke moved, Douglas Johnson supported, to approve duty disability applications 1-1 as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

### Disability Retirement Re-examinations

John Gnodtke moved, Ruth Schwartz supported, to approve disability re-examinations 1-1 as presented in the Supplemental Information to the Agenda, 7B. The motion carried unanimously.

## **Disability Application Extension Request**

John Gnodtke moved, Douglas Johnson supported, to grant Petitioner requests 1-1 as presented in the Supplemental Information to the Agenda, 8A for an extension of time to apply for a disability retirement allowance under MCL 38.67a. The motion carried unanimously.

## **Administrative Hearings**

### Proposal for Decision – Docket 2013-017382-ORS

John Gnodtke recused himself from discussion and voting.

The Board considered the case materials. Douglas Johnson moved, Ronald Jones supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 31, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and grant Respondent's motion for summary disposition, thereby denying Petitioner's appeal. The motion carried.

### Proposal for Decision – Docket 2013-013814-ORS

The Board considered the case materials. John Gnodtke moved, Matthew Fedorchuk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 20, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for disability retirement benefits under MCL 38.67a. The motion carried unanimously.

Proposal for Decision -- Docket 2014-001665-ORS

The Board considered the case materials. John Gnodtke moved, Ruth Schwartz, supported, that the Board adopt as its own the recommendations of the Presiding Officer in the May 30, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement under MCL 38.24. The motion carried unanimously.

**Old Business**

Actuarial 5-Year Experience Study

Ron Jones moved, Douglas Johnson supported, that the Board adopt the actuarial recommendations as presented in the 2007-2012 Experience Study as summarized on page A1 including retaining the 8% investment return assumption, adopting a 2.5% price inflation assumption, and adopting a 30% corridor as outlined on page H1. The motion carried unanimously.

**Legislative Report**

A report was provided for the Board's information.

**Executive Secretary Comments**

Laurie Hill announced this meeting will be her last as Executive Secretary due to her upcoming retirement. Kerrie Vanden Bosch will serve as the Executive Secretary beginning at the next regularly scheduled Board meeting.

**Board Comments**

Ronald Jones announced his resignation from the Board effective August 1, 2014.

Craig Murray thanked Laurie and Ron for their service and wished them both well in their future endeavors.

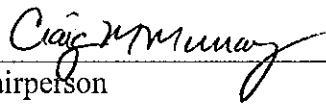
**Public Comments**

Comments were received from Gregory Lantzy, retiree.

**Adjournment**

Ronald Jones moved, Douglas Johnson supported, that the meeting be adjourned. The motion carried unanimously. The Chair adjourned the meeting at 2:00 p.m.

**OFFICIAL MINUTES**

  
Chairperson

  
Executive Secretary